

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION

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AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Securities and Investments Commission (ASIC) is an independent government body established under the *Australian Securities and Investments Commission Act 2001*.

ASIC's objectives, as set out in *the Australian Securities and Investments Commission Act 2001*, are to:

- maintain, facilitate and improve the performance of the financial system and the entities within that system in the interests of commercial certainty, reducing business costs, and the efficiency and development of the economy;
- promote the confident and informed participation of investors and consumers in the financial system;
- administer the laws that confer functions and powers on it effectively and with a minimum of procedural requirements;
- receive, process and store, efficiently and quickly, the information given to ASIC under the laws that confer functions and powers on it;
- ensure that information is available as soon as practicable for access by the public; and
- take whatever action it can take, and is necessary, to enforce and give effect to the laws of the Commonwealth that confer functions and powers on it.

ASIC regulates financial markets, Australian companies, disclosure, financial services organisations and professionals who deal and advise in investments, superannuation, insurance, deposit taking and credit.

As the financial services and consumer credit regulator, ASIC administers the Australian financial services (AFS) and credit licensing regime and monitors financial services and credit businesses to ensure that they operate efficiently, honestly and fairly. These businesses typically deal in superannuation, managed funds, deposit and payment products, personal lending, insurance, shares and company securities, and derivatives.

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As the markets regulator, ASIC assesses how effective operators of financial markets are at ensuring their markets operate in a fair, orderly and transparent way. ASIC also exercises delegated authority from the Minister in authorising new markets and approving important changes to market structure. It has responsibility for the supervision of trading on Australia's domestic licensed equity, derivatives markets.

As the corporate regulator, ASIC ensures that companies, schemes and related entities meet their conduct and disclosure obligations under the *Corporations Act 2001* (Corporations Act). ASIC registers and regulates companies at every point from their incorporation through to their winding up, and ensures that company officers comply with their responsibilities. It also registers and, where necessary, takes disciplinary action against company auditors and liquidators. ASIC monitors public companies' financial reporting and disclosure and fundraising activities.

ASIC also operates a public register that provides information about Australia's companies, business names, financial services licensees and other professionals registered with ASIC.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: ASIC resource statement — Budget estimates for 2020-21 as at Budget October 2020

	<i>2019-20 Estimated actual \$'000</i>	<i>2020-21 Estimate \$'000</i>
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	126,040	126,031
Departmental appropriation (b)	403,261	440,709
s74 External Revenue (c)	15,524	51,094
Departmental capital budget (d)	25,149	20,856
Annual appropriations - other services - non-operating (e)		
Equity injection	13,426	6,904
Total departmental annual appropriations	<u>583,400</u>	<u>645,594</u>
Total departmental special appropriations (f)		
Special accounts (f)		
Appropriation receipts (g)	41,195	59,221
Non-appropriation receipts	7,549	-
<i>Total special accounts</i>	<u>48,744</u>	<u>59,221</u>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<u>41,195</u>	<u>59,221</u>
Total departmental resourcing	<u>590,949</u>	<u>645,594</u>

Table 1.1: ASIC resource statement — Budget estimates for 2020-21 as at Budget October 2020 (continued)

	2019-20 <i>Estimated actual</i> \$'000	2020-21 Estimate \$'000
Administered		
Annual appropriations - ordinary annual services (a)		
Outcome 1	10,261	9,708
Total administered annual appropriations	10,261	9,708
Total administered special appropriations	61,059	117,784
Total administered resourcing	71,320	127,492
Total resourcing for ASIC	662,269	773,086
	2019-20	2020-21
Average staffing level (number)	1,982	2,084

All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

Prepared on a resourcing (that is, appropriations available) basis.

- (a) Appropriation Bill (No. 1) 2020-21.
- (b) Excludes departmental capital budget (DCB).
- (c) Estimated External Revenue receipts under section 74 of the PGPA Act.
- (d) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (e) Appropriation Bill (No. 2) 2020-21.
- (f) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (g) Amounts credited to the special account(s) from ASIC's annual and special appropriations.

1.3 BUDGET MEASURES

Budget measures relating to ASIC are detailed in Budget Paper No.2 and are summarised below.

Table 1.2: ASIC 2020-21 Budget measures
Measures announced after the Economic and Fiscal Update July 2020

	Program	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
Receipt measures					
JobMaker Plan - supporting small business and responsible lending Administered receipt	1.1	298	175	175	175
Refocusing Australia's Approach to Financial Capability Administered receipt	1.1	-	(482)	(1,066)	(1,067)
Total receipt measures		298	(307)	(891)	(892)
Payment measures					
JobMaker - Digital Business Plan Departmental payment	1.1	4,006	601	605	508
JobMaker Plan - supporting small business and responsible lending Departmental payment	1.1	298	175	-	-
Refocusing Australia's Approach to Financial Capability Departmental payment	1.1	(508)	(1,122)	(1,123)	(1,128)
Total payment measures		3,796	(346)	(518)	(620)

Prepared on a Government Finance Statistics (Underlying Cash) basis.

Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

The most recent corporate plan for ASIC can be found at: <https://asic.gov.au/about-asic/what-we-do/our-role/asics-corporate-plan-2018-22/>

The most recent annual performance statement can be found in the Annual Reports at: <http://asic.gov.au/about-asic/corporate-publications/asic-annual-reports/>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Improved confidence in Australia's financial markets through promoting informed investors and financial consumers, facilitating fair and efficient markets and delivering efficient registry systems.

Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
Program 1.1: Australian Securities and Investments Commission					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	6,820	7,692	7,668	5,192	5,210
Expenses not requiring appropriation in the Budget year (a)	69,110	76,049	80,007	81,217	81,488
Administered total	75,930	83,741	87,675	86,409	86,698
Departmental expenses					
Departmental appropriation	408,023	417,313	410,349	394,342	390,428
s74 Retained revenue receipts (b)	18,060	13,270	6,374	6,354	6,354
Expenses not requiring appropriation in the Budget year (c)	63,481	69,673	66,958	58,798	57,210
Departmental total	489,564	500,256	483,681	459,494	453,992
Total expenses for program 1.1	565,494	583,997	571,356	545,903	540,690
Program 1.2: Banking Act 1959, Life Insurance Act 1995, unclaimed monies and special accounts					
Administered expenses					
Companies unclaimed monies - s77 of the PGPA ACT	32,186	35,792	35,711	35,719	35,682
Ordinary annual services (Appropriation Bill No. 1)	1,132	2,016	2,227	2,416	2,644
Special appropriations					
<i>Banking Act 1959 - Banking Unclaimed Moneys</i>	82,849	59,431	59,448	59,711	59,788
<i>Life Insurance Act 1995 - Life Unclaimed Moneys</i>	10,997	4,613	4,597	4,598	4,600
Administered total	127,164	101,852	101,983	102,444	102,714
Total expenses for program 1.2	127,164	101,852	101,983	102,444	102,714

Table 2.1: Budgeted expenses for Outcome 1 (continued)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	7,952	9,708	9,895	7,608	7,854
Special appropriations	93,846	64,044	64,045	64,309	64,388
Companies unclaimed monies - s77 of the PGPA ACT	32,186	35,792	35,711	35,719	35,682
Expenses not requiring appropriation in the Budget year (a)	69,110	76,049	80,007	81,217	81,488
Administered total	203,094	185,593	189,658	188,853	189,412
Departmental expenses					
Departmental appropriation	408,023	417,313	410,349	394,342	390,428
s74 Retained revenue receipts (b)	18,060	13,270	6,374	6,354	6,354
Expenses not requiring appropriation in the Budget year (c)	63,481	69,673	66,958	58,798	57,210
Departmental total	489,564	500,256	483,681	459,494	453,992
Total expenses for Outcome 1	692,658	685,849	673,339	648,347	643,404
	2019-20	2020-21			
Average staffing level (number)	1,982	2,084			

(a) Expenses not requiring appropriation in the Budget year are doubtful debts.

(b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

(c) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses and amortisation expenses.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Table 2.2: Performance criteria for Outcome 1

Table 2.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2020-21 Budget measures have created new programs or materially changed existing programs.

Outcome 1 - Improved confidence in Australia's financial markets through promoting informed investors and financial consumers, facilitating fair and efficient markets and delivering efficient registry systems.		
Program 1.1 – Australian Securities and Investments Commission		
<p>Program 1.1 contributes to Outcome 1 by strategically identifying and responding to conduct which presents the greatest risk of harm. This includes:</p> <ul style="list-style-type: none"> • detecting misconduct through risk-based surveillance, breach reports, reports from the whistleblowers and the public, monitoring trends and emerging risks, data gathering and analysis; • understanding and analysing the intelligence we receive to assess harms early and respond quickly; and • responding to misconduct or the risk of misconduct through education, disrupting harmful behaviour, enforcement, engaging with industry and stakeholders, and providing guidance and policy advice. <p>This program also seeks to improve ASIC’s registry services and reduce costs for businesses, consumers and the public.</p>		
Delivery	ASIC will deliver this program through strategic use of a range of regulatory tools most appropriate to disrupt harm and poor behaviour in the financial system.	
Performance information		
Year	Performance criteria	Targets
2019-20	<p>Change behaviours to drive good consumer and investor outcomes</p> <ul style="list-style-type: none"> • investors and consumers have trust and confidence in the financial system • fair and efficient processes are in place for the resolution of disputes • financial markets are fair, orderly and transparent <p>Act against misconduct to maintain trust and integrity in the financial system</p> <ul style="list-style-type: none"> • identify, address and deter misconduct in the financial system • take successful enforcement or other regulatory action – including court enforceable undertakings and infringement notices – in response to identified misconduct • appropriately sanction individuals who commit misconduct including, where warranted, banning them from providing financial services or taking civil or criminal action against them • our published reports on surveillance and enforcement outcomes and industry messages that are delivered to stakeholders articulate our standards and expectations 	<ul style="list-style-type: none"> • Performance criteria met for 2019-20. Please refer to ASIC’s 2019-20 Annual Report for full details.

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Performance information		
Year	Performance criteria	Targets
2019-20	<p>Promote strong and innovative development of the financial system</p> <ul style="list-style-type: none"> • the regulatory system supports the work of innovative start-ups and the market testing of novel products and services • promote improved efficiency and reduced compliance costs among our regulated population • exercise our discretionary powers to grant relief or make legislative instruments appropriately, where there is a net regulatory benefit • advise the Government on policy issues and law reform options and support the Government's financial services reform agenda • propose and support international policy initiatives that improve regulatory outcomes for Australia and support cross-border activity <p>Help Australians to be in control of their financial lives</p> <ul style="list-style-type: none"> • people can take action based on ASIC's educational materials • support better financial education across Australia's education system • provide a range of tools and resources to help people understand money and how to manage it • coordinate with stakeholders to support the National Financial Capability Strategy <p>Provide efficient and accessible business registers that make it easier to do business</p> <ul style="list-style-type: none"> • registration is cost-effective and easy for businesses to manage • businesses comply with their ongoing registration obligations • the public has easy access to information in ASIC registers • information in our registers is accurate and up-to-date 	

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Performance information		
Year	Performance criteria	Targets
2020-21	<p>Change behaviours to drive good consumer and investor outcomes</p> <ul style="list-style-type: none"> • Financial firms and individuals providing financial services act professionally and treat their clients fairly • Entities improve their business practices in response to identified areas of improvement • Fair and efficient processes are in place for the resolution of disputes • Financial markets are fair, strong and efficient • Our published reports and industry messages on surveillance and enforcement outcomes provide transparency to stakeholders about good and poor practices and articulate our standards and expectations, including naming entities where appropriate 	<p>Evidenced by qualitative and quantitative measures, including:</p> <p>Change behaviours to drive good consumer and investor outcomes</p> <ul style="list-style-type: none"> • Stakeholder feedback, measured through external committees and panels such as the ASIC Consultative Panel and Consumer Advisory Panel • Case studies of key matters where entities have improved their business practices • External data (e.g. reports and data published by AFCA) • Measures of the cleanliness of the Australian listed equity market • Operational data (e.g. number of meetings and other engagement with stakeholders, regulatory guidance and industry reports published) • Case studies and other measures of key matters where we have used our regulatory tools to change behaviour in the financial system • Where we exercise our product intervention power, we will evaluate the resulting outcome after 18 months • Project-specific measures resulting from the outputs of our regulatory actions will include published reports

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Performance information		
Year	Performance criteria	Targets
2020-21	<p>Act against misconduct to maintain trust and integrity in the financial system</p> <ul style="list-style-type: none"> Financial firms and individuals providing financial services meet their obligations Misconduct is deterred and community expectations that wrongdoing is punished and consumer harm addressed are met Where consumers suffer loss as a result of misconduct, culpable entities compensate those consumers appropriately We take successful enforcement or other regulatory action (e.g. court enforceable undertakings, infringement notices, cancellation or suspension of licences) in response to identified misconduct We appropriately sanction individuals who commit misconduct including, when warranted, banning them from providing financial services or taking civil or criminal action against them <p>Promote strong and innovative development of the financial system</p> <ul style="list-style-type: none"> The regulatory system supports the work of innovative start-ups and the market testing of novel products and services We promote improved efficiency and reduced compliance costs among our regulated population We exercise our discretionary powers to grant relief or make a legislative instrument appropriately We advise the Government on policy issues and law reform options in line with expected community standards We propose and support international policy initiatives that improve regulatory outcomes for Australia and support cross-border activity 	<p>Act against misconduct to maintain trust and integrity in the financial system</p> <ul style="list-style-type: none"> Levels of misconduct can be measured through, for example, reports of misconduct made to ASIC Remediation can be measured through, for example, the amount of compensation for wrongdoing provided to investors and consumers Operational data (e.g. number of surveillance and enforcement actions undertaken and results achieved) Public outcomes (e.g. civil, criminal and administrative actions taken, including bannings) Published ASIC reports, including the enforcement report and market integrity report We publish reports and other outputs we plan to deliver Number and nature of misconduct-related complaints, including through internal and external dispute resolution channels <p>Promote strong and innovative development of the financial system</p> <ul style="list-style-type: none"> Stakeholder feedback through the Digital Finance Advisory Panel Use of the ASIC Innovation Hub by innovative financial firms, including the enhanced regulatory sandbox Operational data, including relief applications assessed and legislative instruments made Publication of consultation papers by ASIC and submissions made by ASIC to government policy consultation processes Publication of reports by international regulatory bodies to which ASIC has contributed Case studies and other measures of instances where we have used our regulatory tools to promote the strong and innovative development of the financial system Project-specific measures resulting from the outputs of our regulatory actions We publish reports and other outputs we plan to deliver

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Performance information		
Year	Performance criteria	Targets
2020-21	<p>Provide efficient and accessible business registers that make it easier to do business</p> <ul style="list-style-type: none"> • Registration is cost-effective and easy for businesses to manage • Businesses comply with their ongoing registration obligations • The public has easy access to information in ASIC registers • Information in our registers is accurate and up to date 	<p>Provide efficient and accessible business registers that make it easier to do business</p> <ul style="list-style-type: none"> • Stakeholder feedback through the Business Advisory Panel • Performance against the ASIC service charter targets • Progress in migrating registry services online • Operational data (e.g. volume and efficiency of registry activity)
2021-22 and beyond	As per 2020-21	As per 2020-21
Purposes	<p>ASIC is Australia's integrated corporate, financial services and consumer credit regulator. Its role includes maintaining and facilitating the performance of the financial system and promoting confident and informed participation by investors and consumers in that system.</p>	

Table 2.2: Performance criteria for Outcome 1 (continued)

Program 1.2 – Banking Act 1959, Life Insurance Act 1995, unclaimed monies and special accounts.		
ASIC is responsible for the administration of unclaimed money from banking and deposit taking institutions and life insurance institutions		
Delivery	Provide an accurate register of unclaimed money and special accounts administered by ASIC.	
Performance information		
Year	Performance criteria	Targets
2019-20	<ul style="list-style-type: none"> • ensure that refunds of unclaimed monies are paid to successful claimants promptly; and • ensure that payments of money from special accounts are paid out promptly in accordance with the specified purposes or appropriate legislation. 	Process claims within 28 days of receiving all necessary claim documentation.
2020-21	As per 2019-20	As per 2019-20
2021-22 and beyond	As per 2019-20	As per 2019-20
Purposes	ASIC is Australia's integrated corporate, financial services and consumer credit regulator. Its role includes maintaining and facilitating the performance of the financial system and promoting confident and informed participation by investors and consumers in that system.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2020-21 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Budgeted departmental income statement

ASIC is budgeting for a \$8.6 million operating loss for 2020-21, after adding back non-appropriated depreciation and amortisation expenses, depreciation of right of use assets and principal repayments of lease liabilities. The operating loss is mainly due to increased spending in enforcement activities funded from unspent prior year's Enforcement Special Account (ESA) appropriation. Spending from available prior year's ESA funding has created a technical operating loss. ASIC is budgeting for a break-even operating result for the remainder of the forward estimates, after adding back non-appropriated depreciation and amortisation expenses, depreciation of right of use assets and principal repayments of lease liabilities.

Budgeted departmental balance sheet

This statement shows the financial position of ASIC. It helps decision-makers to track the management of ASIC's assets and liabilities.

ASIC's budgeted equity (or net asset position) for 2020-21 is \$134.2 million.

The 2020-21 equity position reflects the cumulative effect of capital injections of \$2.9 million received during 2020-21.

Budgeted departmental statement of cash flows

The budgeted statement of cash flows provides important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Departmental statement of changes in equity — summary of movement

This statement shows the changes in the equity position of ASIC. It helps decision-makers to track the management of ASIC's equity.

Departmental Capital Budget statement

This statement shows details of capital appropriations received by ASIC. It helps decision-makers to track the acquisition of new non-financial assets.

Statement of asset movements — departmental

This statement shows details of gross asset movements during the year. It helps decision-makers to analyse movements of non-financial assets.

Schedule of administered activity

Schedule of budgeted income and expenses administered on behalf of government

The schedule of budgeted income and expenses administered on behalf of government shows the revenue and expenses associated with the collection of revenue under the *Corporations Act 2001* and ASIC's responsibilities in administering unclaimed monies under the *Banking Act 1959*, the *Life Insurance Act 1995* and s77 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In addition, ASIC collects taxation and non-taxation revenue under the *ASIC Supervisory Cost Recovery Levy Act 2017* and the *ASIC Supervisory Cost Recovery Levy Regulations 2017*.

Other non-taxation revenue represents the amount of fees and charges budgeted to be levied under the *Corporations Act 2001* and estimated receipts of unclaimed monies under the *Banking Act 1959*, the *Life Insurance Act 1995* and the *Corporations Act 2001*.

Expenses represent budgeted payments of unclaimed monies, refund of overpaid fees and charges levied under the *Corporations Act 2001*, bad debt expense, administered advertising expenses and grant payments to registered insolvency practitioners to investigate breaches of directors' duties and fraudulent conduct.

Schedule of budgeted assets and liabilities administered on behalf of government

The amount shown for receivables in 2020-21 and in the forward estimates is the estimated amount of taxation revenue fees and charges remaining unpaid at 30 June.

The amounts shown in other payables for 2020-21 and the forward estimates represent the estimated amount of refunds relating to the overpayments of annual review and other fees under the *Corporations Act 2001*, estimated claims payable under the *Banking Act 1959* and the *Life Insurance Act 1995* and companies unclaimed monies under s77 of the PGPA Act.

Schedule of budgeted administered cash flows

Budgeted administered cash flows provide important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
EXPENSES					
Employee benefits	275,614	279,639	265,151	249,702	248,985
Suppliers	149,030	148,724	147,947	147,450	144,339
Depreciation and amortisation (a)	63,481	69,673	66,958	58,798	57,210
Finance costs	1,397	2,220	3,625	3,544	3,458
Write-down and impairment of assets	40	-	-	-	-
Losses from asset sales	2	-	-	-	-
Total expenses	489,564	500,256	483,681	459,494	453,992
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	1,703	2,000	2,000	2,000	2,000
Rental income	1,454	625	625	605	605
Royalties	232	165	165	165	165
Other revenue	14,671	10,480	3,584	3,584	3,584
Total own-source revenue	18,060	13,270	6,374	6,354	6,354
Gains					
Other gains	57	-	-	-	-
Total gains	57	-	-	-	-
Total own-source income	18,117	13,270	6,374	6,354	6,354
Net (cost of)/contribution by services	(471,447)	(486,986)	(477,307)	(453,140)	(447,638)
Revenue from Government	403,261	441,007	443,809	428,063	429,374
Surplus/(deficit) attributable to the Australian Government	(68,186)	(45,979)	(33,498)	(25,077)	(18,264)
OTHER COMPREHENSIVE INCOME					
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	(68,186)	(45,979)	(33,498)	(25,077)	(18,264)
Total comprehensive income/(loss) attributable to the Australian Government	(68,186)	(45,979)	(33,498)	(25,077)	(18,264)

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)

Note: Impact of net cash appropriation arrangements

	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(19,167)	(8,597)	307	307	307
less: depreciation/amortisation expenses previously funded through revenue appropriations (a)	47,431	36,057	32,602	23,673	21,287
less: depreciation/amortisation expenses for ROU assets (b)	16,050	33,616	34,356	35,125	35,923
plus: Principal repayments on leased assets (b)	(14,462)	(32,291)	(33,153)	(33,414)	(38,639)
Total comprehensive income/(loss) - as per the statement of comprehensive income	(68,186)	(45,979)	(33,498)	(25,077)	(18,264)

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
- (b) Applies to leases under AASB 16 Leases.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	41,151	30,307	30,307	30,307	30,307
Trade and other receivables	170,493	132,315	132,315	132,315	132,315
Total financial assets	211,644	162,622	162,622	162,622	162,622
Non-financial assets					
Land and buildings	236,404	255,688	243,126	229,111	217,657
Property, plant and equipment	19,511	14,881	10,963	8,966	8,848
Intangibles	74,007	76,364	69,418	69,225	68,768
Other non-financial assets	17,706	17,706	17,706	17,706	17,706
Total non-financial assets	347,628	364,639	341,213	325,008	312,979
Total assets	559,272	527,261	503,835	487,630	475,601
LIABILITIES					
Payables					
Suppliers	31,011	28,754	27,618	26,482	25,346
Other payables	37,997	37,997	37,997	37,997	37,997
Total payables	69,008	66,751	65,615	64,479	63,343
Interest bearing liabilities					
Leases	242,810	231,265	219,079	206,225	191,855
Total interest bearing liabilities	242,810	231,265	219,079	206,225	191,855
Provisions					
Employee provisions	82,255	82,255	82,255	82,255	82,255
Other provisions	12,739	12,749	13,578	14,407	15,236
Total provisions	94,994	95,004	95,833	96,662	97,491
Total liabilities	406,812	393,020	380,527	367,366	352,689
Net assets	152,460	134,241	123,308	120,264	122,912
EQUITY*					
Parent entity interest					
Contributed equity	474,633	502,393	524,958	546,991	567,903
Reserves	22,500	22,500	22,500	22,500	22,500
Retained surplus (accumulated deficit)	(344,673)	(390,652)	(424,150)	(449,227)	(467,491)
Total parent entity interest	152,460	134,241	123,308	120,264	122,912
Total equity	152,460	134,241	123,308	120,264	122,912

Prepared on Australian Accounting Standards basis.

*Equity is the residual interest in assets after the deduction of liabilities.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2020-21)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/capital \$'000	Total equity \$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	(344,673)	22,500	474,633	152,460
Adjusted opening balance	(344,673)	22,500	474,633	152,460
Comprehensive income				
Other comprehensive income				-
Surplus/(deficit) for the period	(45,979)	-	-	(45,979)
Total comprehensive income	(45,979)	-	-	(45,979)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	6,904	6,904
Departmental Capital Budget (DCB)	-	-	20,856	20,856
Sub-total transactions with owners	-	-	27,760	27,760
Estimated closing balance as at 30 June 2021	(390,652)	22,500	502,393	134,241
Closing balance attributable to the Australian Government	(390,652)	22,500	502,393	134,241

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	426,545	441,007	443,809	428,063	429,374
Sale of goods and rendering of services	1,703	40,803	2,625	2,605	2,605
Net GST received	20,922	-	-	-	-
Other	18,944	10,291	3,395	3,395	3,395
Total cash received	468,114	492,101	449,829	434,063	435,374
Cash used					
Employees	262,990	279,639	265,151	249,702	248,985
Suppliers	194,067	150,627	148,729	148,232	145,121
Interest payments on lease liability	1,209	2,210	2,796	2,715	2,629
s74 External Revenue transferred to the OPA	20,667	-	-	-	-
Total cash used	478,933	432,476	416,676	400,649	396,735
Net cash from/(used by) operating activities	(10,819)	59,625	33,153	33,414	38,639
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	34,756	65,938	22,565	22,033	20,912
Total cash used	34,756	65,938	22,565	22,033	20,912
Net cash from/(used by) investing activities	(34,756)	(65,938)	(22,565)	(22,033)	(20,912)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	35,967	27,760	22,565	22,033	20,912
Total cash received	35,967	27,760	22,565	22,033	20,912
Cash used					
Principal payments on lease liability	14,462	32,291	33,153	33,414	38,639
Total cash used	14,462	32,291	33,153	33,414	38,639
Net cash from/(used by) financing activities	21,505	(4,531)	(10,588)	(11,381)	(17,727)
Net increase/(decrease) in cash held	(24,070)	(10,844)	-	-	-
Cash and cash equivalents at the beginning of the reporting period	65,221	41,151	30,307	30,307	30,307
Cash and cash equivalents at the end of the reporting period	41,151	30,307	30,307	30,307	30,307

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	25,149	20,856	20,813	20,831	20,912
Equity injections - Bill 2	13,426	6,904	1,752	1,202	-
Total new capital appropriations	38,575	27,760	22,565	22,033	20,912
Provided for:					
Purchase of non-financial assets	36,976	27,750	21,736	21,204	20,083
Other Items	1,599	10	829	829	829
Total items	38,575	27,760	22,565	22,033	20,912
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	7,088	13,242	1,752	1,202	-
Funded by capital appropriation - DCB (b)	25,149	20,856	20,813	20,831	20,912
Funded internally from departmental resources (c)	2,700	38,178	-	-	-
TOTAL	34,937	72,276	22,565	22,033	20,912
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	34,937	72,276	22,565	22,033	20,912
Total cash used to acquire assets	34,937	72,276	22,565	22,033	20,912

Prepared on Australian Accounting Standards basis.

(a) Includes both current Bill 2 and prior Act 2/4/6 appropriations.

(b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental capital budgets (DCBs).

(c) Includes the following sources of funding:

- current Bill 1 and prior year Act 1/3/5 appropriations (excluding amounts from the DCB);
- internally developed assets; and
- s74 External Revenue.

Table 3.6: Statement of asset movements (Budget year 2020-21)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2020				
Gross book value	101,592	70,148	395,241	566,981
Gross book value - ROU assets	222,668	-	-	222,668
Accumulated depreciation/ amortisation and impairment	(71,806)	(50,637)	(321,234)	(443,677)
Accumulated depreciation/amortisation and impairment - ROU assets	(16,050)	-	-	(16,050)
Opening net book balance	236,404	19,511	74,007	329,922
Capital asset additions or replacement assets				
By purchase - appropriation equity (a)	-	-	13,242	13,242
By purchase - appropriation ordinary annual services (b)	-	1,150	16,262	17,412
By purchase - other - ROU assets	20,746	-	-	20,746
By purchase - other	35,284	-	-	35,284
Total additions	56,030	1,150	29,504	86,684
Other movements				
Depreciation/amortisation expense	(3,130)	(5,780)	(27,147)	(36,057)
Depreciation/amortisation on ROU assets	(33,616)	-	-	(33,616)
Total other movements	(36,746)	(5,780)	(27,147)	(69,673)
As at 30 June 2021				
Gross book value	136,876	71,298	424,745	632,919
Gross book value - ROU assets	243,414	-	-	243,414
Accumulated depreciation/ amortisation and impairment	(74,936)	(56,417)	(348,381)	(479,734)
Accumulated depreciation/amortisation and impairment - ROU assets	(49,666)	-	-	(49,666)
Closing net book balance	255,688	14,881	76,364	346,933

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2020-21 for depreciation/amortisation expenses, DCBs or other operational expenses.
- (b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2020-21 for depreciation/amortisation expenses, DCBs or other operational expenses.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
EXPENSES					
Employee benefits					
Suppliers	565	574	573	574	575
Grants	6,255	7,118	7,095	4,618	4,635
Write-down and impairment of assets	69,110	76,049	80,007	81,217	81,488
Interest expense	2,793	4,707	4,884	5,159	5,674
Other expenses	124,371	97,145	97,099	97,285	97,040
Total expenses administered on behalf of Government	203,094	185,593	189,658	188,853	189,412
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation revenue					
Other levies	59,602	61,853	76,709	81,788	76,505
Other taxes	814,537	855,473	883,980	906,694	930,053
Total taxation revenue	874,139	917,326	960,689	988,482	1,006,558
Non-taxation revenue					
Fines and penalties	208,991	206,899	207,859	208,838	209,838
Other fees from regulatory services	213,941	153,541	153,327	153,327	153,327
Other revenue	263,288	271,791	301,247	300,223	286,224
Total non-taxation revenue	686,220	632,231	662,433	662,388	649,389
Total own-source revenue administered on behalf of Government	1,560,359	1,549,557	1,623,122	1,650,870	1,655,947
Total own-sourced income administered on behalf of Government	1,560,359	1,549,557	1,623,122	1,650,870	1,655,947
Net (cost of)/contribution by services	1,357,265	1,363,964	1,433,464	1,462,017	1,466,535
Surplus/(deficit)	1,357,265	1,363,964	1,433,464	1,462,017	1,466,535
Total comprehensive income/(loss)	1,357,265	1,363,964	1,433,464	1,462,017	1,466,535

Prepared on Australian Accounting Standards basis.

Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,435	1,419	1,419	1,419	1,419
Taxation receivables	198,438	215,104	237,967	231,757	241,428
Trade and other receivables	278,842	285,681	316,568	317,350	290,975
Total financial assets	478,715	502,204	555,954	550,526	533,822
Total assets administered on behalf of Government	478,715	502,204	555,954	550,526	533,822
LIABILITIES					
Payables					
Suppliers	28,829	30,729	32,273	32,870	32,975
Grants	3,992	3,992	3,992	3,992	3,992
Other payables	7,512	7,521	7,914	8,066	8,093
Total payables	40,333	42,242	44,179	44,928	45,060
Provisions					
Other provisions	417,284	409,336	414,000	419,526	424,195
Total provisions	417,284	409,336	414,000	419,526	424,195
Total liabilities administered on behalf of Government	457,617	451,578	458,179	464,454	469,255
Net assets/(liabilities)	21,098	50,626	97,775	86,072	64,567

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	274,680	211,777	213,049	212,677	212,311
Taxes	804,113	829,216	862,624	918,356	920,294
Net GST received	(315)	-	-	-	-
Other	369,679	409,510	413,692	444,048	458,558
Total cash received	1,448,157	1,450,503	1,489,365	1,575,081	1,591,163
Cash used					
Grant	2,263	7,118	7,095	4,618	4,635
Suppliers	(4,477)	(826)	(971)	(23)	470
Borrowing costs	2,793	4,707	4,884	5,159	5,674
Other	55,287	105,084	92,042	91,607	92,344
Total cash used	55,866	116,083	103,050	101,361	103,123
Net cash from/(used by) operating activities	1,392,291	1,334,420	1,386,315	1,473,720	1,488,040
Net increase/(decrease) in cash held	1,392,291	1,334,420	1,386,315	1,473,720	1,488,040
Cash and cash equivalents at beginning of reporting period	1,860	1,435	1,419	1,419	1,419
Cash from Official Public Account for:					
- Appropriations	66,118	127,492	114,987	112,110	113,255
Total cash from Official Public Account	66,118	127,492	114,987	112,110	113,255
Cash to Official Public Account for:					
- Appropriations	(1,458,834)	(1,461,928)	(1,501,302)	(1,585,830)	(1,601,295)
Total cash to Official Public Account	(1,458,834)	(1,461,928)	(1,501,302)	(1,585,830)	(1,601,295)
Cash and cash equivalents at end of reporting period	1,435	1,419	1,419	1,419	1,419

Prepared on Australian Accounting Standards basis.

